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AFGHANISTAN

KABUL CITY INITIATIVE (KCI)

MONTHLY REPORT (NO. 16)

APRIL 1 - 30, 2012



Figure 1: Cleaning and greening campaign on International Earth Day

May 10, 2012

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ACRONYMS

AUCC	Afghan Urban Consulting Company
ASI	Adam Smith International
BID	Business Improvement District
CLIN	Contract Line Item Number
CIC	Citizen Information Center
COA	Chart of Accounts
COP	Chief of Party
COR	Contracting Officer's Representative
DG	Director General
FMIS	Financial Management Information System
ICDL	International Computer Driving License
IDLG	Independent Directorate of Local Governance
KCI	Kabul City Initiative
KM	Kabul Municipality
KMO	Kabul Municipal Offices
LTTA	Long Term Technical Assistance
MCITP	Microsoft Certified IT Professional
MMCIP	Municipal Management and Capacity Improvement Plan
NRC	National Research Council
PMI	Project Management Institute
PMP	Project Management Plan
RFA	Request for Approval
STA/M	Senior Technical Adviser/Manager
STTA	Short Term Technical Assistance
SOP	Standard Operating Procedure
SOW	Scope of Work
TA	Technical Assistance
ToR	Terms of Reference
USAID	United States Agency for International Development

PREFACE

The purpose of the Kabul City Initiative (KCI) is to provide technical assistance to the Kabul Municipality (KM) and to create effective, responsive, transparent, and accountable municipal governance in Kabul. KCI's goal is to: (1) increase the capacity of city officials in Kabul; (2) markedly improve the delivery of municipal services to citizens in Kabul; and (3) increase municipal capacity to generate revenue and to account for expenditures and revenue. As a result of KCI, it is anticipated that Kabul's citizens will receive improved services, understand the responsibilities of municipal leaders, play an active role in the municipal decision-making process, and see local governance structures as legitimate.

Per Task Order EPP-I-05-04-00035-00, Section F.6 page two, this Monthly Report summarizes progress towards accomplishing project benchmarks and provides:

- An update of progress made towards fulfilling project goals;
- Identification of implementation issues including obstacles encountered and possible delays in fulfilling activities included in the work plan and PMP targets;
- KCI's response to these issues and obstacles including any proposed changes to the work plan; and,
- A forecast of next month's activities.

HIGHLIGHTS

During the last month KCI:

- Continued the “cleaning and greening” campaign in the Kabul school system;
- Trained 100 workers of the Sanitation Department on safety measures at their work places;
- Continued to deliver the Driving Course for 15 KM employees;
- Awarded certificates and held a ceremony for the successful completion of ICDL training course for 245 KM staff;
- Continued Human Resources training and the Future Leaders Program for KM staff;
- Developed two policies, four SOPs and eight TORs;
- Women Council’s achievements to date presented at the Mayor’s Donor Coordination Meeting;
- Completed the design of the KM transfer station to be located off of Jalalabad Road;
- Numbered all the dumpsters in District Two with unique identification numbers;
- Developed seven new SOPs on Safay’i fee, revenue generation, business licenses, fiscal management, internal audit, asset management, and donor coordination.

1.0 ACHIEVEMENTS

1.1 CLIN 1: CAPACITY BUILDING OF KABUL CITY OFFICIALS

Training

This past month, KCI conducted a ten-day Total Station Training for eight engineers of the Street Maintenance Department and a Safety Training for 100 workers of the Sanitation Department.

KCI continued the Driving Course on safe and secure driving, Human Resources training, and the Future Leaders Program this month. KCI finalized negotiations for the second round of the Future Leaders Program with ABCD Consultants, an all Afghan managed company. In addition, Kabul Municipality's senior management selected the 50 participants for this program.



Figure 2: Distribution of Certificates to the Total Station Trainees at the Kabul Municipality

During this month KCI completed the Scope of Work for GIS Training and a firm was selected to perform this training for ten staff members of the Urban Planning Department.

Policies and Procedures

During April, KCI developed eight Terms of Reference for the Policy and Coordination Department, Market Control Department, Revenue Department, Land and Property Department, Finance and Administration Department, Internal Audit Department, Sanitation Department, Greenery Department and the Kabul Zoo.

In addition, KCI finalized one policy for the KM Procurement Department and another one on Kabul Municipality's Youth Policy.

This month, KCI completed six Standard Operating Procedures for Mobile Phone Use, Human Resources, Internal Audits, Procurement, Public Participation and Employee Gifts.

Public Outreach

The Public Education Campaign on "Cleaning and Greening" continued during this reporting period. The Kabul Mayor attended several campaign events and read children's books to the crowds about the cartoon character "Shir Sultan" produced by KCI. During this campaign KCI distributed coloring and story books, crayons, flyers and posters on "Cleaning and Greening". Meanwhile, KCI and the KM celebrated Earth Day at one of the Kabul primary schools (International School of Kabul). Six billboards on "Cleaning and Greening" for children were produced and installed in different parts of Kabul City as part of the campaign.

The media training contractor completed all course materials during this month for review. The Mayor approved the list of training participants while KCI conducted assessments of the KM Publications Department staff for these courses. Meanwhile, KCI purchased all of the necessary equipment including tape recorders, digital cameras and multimedia software for the courses which will be donated to the KM after completion of the training courses.



Figure 3: A KCI billboard for children on greening the city.

The public education campaign will be rolling out TV spots, radio shows, and advertisements shortly. KCI continued working with the contractor to prepare and review the scripts for the radio/TV spots and dramas on cleaning, greening, Safay'i tax and business licensing. The scripts have been approved by the KM working group and KCI. The last step will be production of these media spots.

Media Events:

- Celebration of Earth Day;
- “Cleaning and Greening” campaign at Schools;
- Distribution of certificates to 22 Street Maintenance Department staff who successfully completed the Total Station and Test material training courses.

Gender

KCI collected a comprehensive list on women owned businesses operating in Kabul during this reporting period. The compiled data will be used to produce a business directory of women owned businesses in Kabul which will act as a guide for donors, and Afghans.

The Gender Unit held coordination meetings with the Ministry of Women's Affairs and the Afghan Business Forum to discuss the possibility of holding monthly meetings with the KM Women's Council and on collecting information on Business Directory.

In April, KCI held the second general all hands meeting for KM women staff. This provided an opportunity for the Women's Council to report on its achievements over the past three months while female staff shared their recommendations for further improvements of the Council's performance. These achievements and future plans were also presented at the Mayor's Donor Coordination Meeting.

ICT

The first round of the ICDL course was completed this month. Of the 323 trainees, 245 passed the test and are now ICDL certified. This represents a 76% certification rate for the course. KCI anticipates over the course of the next few rounds that the certification rate will approach 80% as the employees at the KM and contractor provider more feedback on the course.

The six month training on MCITP & A+ for 10 KM IT staff continued. This training includes Computer Hardware Course (A+) and Computer Networking Course (MCITP).

KCI developed a presentation and shared its past experience on Finger Print Attendance systems for Kabul Municipality's Human Resources Department. A presentation on the Finger Print Attendance system was also presented at the Donor Coordination meeting.

In April, KCI continued providing assistance on the KM Network Operation Center (NOC) and Server Room in order to complete the Fiber Optic Network within the KM HQ.

1.2 CLIN 2: SUPPORT TO PROVIDE SERVICE DELIVERY PROGRAMS

Sanitation Services

The Khwaja Boghra Canal ditch construction and cleaning project in District 15 is currently 40% complete. However, the project has been terminated due to technical problems in the implementation process.

The Compost production at Gazak Landfill continues with 861.95 metric tons of compost been produced to date; approximately 562.50 MT has been delivered to Kabul Municipality's Greenery Department to be used in parks and green areas, and the remaining 299.45 MT compost is stored in Gazak.



Figure 4: The composting process at Gazak landfill

During the reporting period, the KM transfer station design was completed. KCI is now working on the design of the boundary wall and septic tank.

All dumpsters in District Two are numbered now with unique identification for tracking purposes. A new dumpster collection route was prepared and finalized with the assistance of the District Office sanitation manager. Two trucks will collect the dumpsters in two separate trips and routes every day with an average of 32 dumpsters each time. Meanwhile, the design, estimation and plan for 175 concrete pads for the dumpsters was completed in April. The project is in the bidding process.

Parks and Greenery

KCI continued the construction of ten neighborhood parks in Kabul city. The first phase of Shahrara Park in District Four, Shirino in District Two and Bibi Sarwari Sangari in District Eleven were completed with the landscape plan and slight cosmetic repairs remaining. According to the contracts developed for the parks, the subcontractor is responsible for the maintenance (gardening activities) of Shirino and Bibi Sarwari Sangari parks for six months after the planting of trees and flowers. The parks will be handed over to Kabul Municipality once the procurement of the playground equipment has been approved by USAID and delivered to Kabul for installation.

Kabul City Streets

In April, KCI anticipated breaking ground on the remaining parts of Balahesar Road, however, USAID has not vetted or approved the new subcontractor. Thus the road remains at 53.12% of completion. Once the new subcontractor is approved by USAID the period of performance is 52 days to complete the project. Balahesar Road remains a high profile project and the delays in the vetting and approval of this project has led to the KM losing confidence in the KCI project being able to implement projects in a timely fashion.

The long-term lack of maintenance, poor construction standards, and a harsh winter has led to the disintegration of many Kabul streets. With the help of Deputy Mayor Administration, KCI evaluated the list of streets nominated for patching and graveling, rented patching equipment, and delivered it to the Street Maintenance Department. KCI also inspected all the roads to be graded and graveled and will start graveling these roads in April. This is part of the emergency road repair program initiated through the collaboration of the USFOR-A, Kabul Municipality and KCI.

KCI continued the work on 10.23 km streets in District Five. The project is 37% complete.

City Facilities

In April, KCI continued to work with the Kabul Municipality to improve its facilities and provide safe and secure work space for its employees. Two renovation sub-projects in District offices 12/21 and 14 were completed in April.

The renovation and electrical upgrading design packages for a gymnasium in District 8 was also completed this month.

The bids for the Citizen Information Center project have been evaluated, and a successful bidder selected. GGCC is one of the small business contractors that KCI has worked with over the past months, and they submitted an exceptionally good proposal. The CIC ground breaking will occur in May.

1.3 CLIN 3: INCREASE REVENUE COLLECTION AND IMPROVE FINANCIAL ACCOUNTABILITY AND TRANSPARENCY

Revenue Collection

The installation and implementation of the FMIS has allowed KCI and KM to more accurately analyze KM's revenue and expenditures.

In April, KCI received figures on KM's revenue performance during the first 11 months of the Afghan year 1390 (21 March 2011 to 19 February 2012). KM's revenue target for all of 1390 was 2.25 bln. Afs (US\$ 45 mln.). However, during this period 2.48 bln. Afs (US\$ 50 mln.) was generated, which superficially would look like a very successful development.

On a more disaggregated level, it appears that all the "success" is attributable to the revenue sources collected by the General Directorate of Revenue. This department is overshooting its



Figure 3: Motor grader, skid steers, rollers with operators are delivered to the Streets Maintenance Department for their use.

annual target of 296 mln. Afs (US\$ 6 mln.) as the actual figure is already 1,087 mln. Afs (US\$ 22 mln.) in the first 11 months. To a considerable extent this is due to the fact that a new revenue source which is the municipality share in vehicle license fees was not included in the target before the budget year, nor in the course of the budget year. Other windfalls for this General Directorate remain to be analyzed on the basis of the figures for the complete year 1390.

In addition, the KM Property Department (responsible for sales of real estate) fell 300 mln. Afs (US\$ 6 mln.) short of its target while many districts did not achieve their targets. The shortfall amounted to more than 90 mln. Afs (US\$ 1.8 mln.).

Significant work remains to be done in the area of revenue analysis, and making KM's revenue targets more realistic instead of ad-hoc.

In April, KCI held a meeting with District Office 1 on its legal problems in the area of revenue.

It was agreed that KCI CLIN 3 contribute to the Future Leaders Program by providing information on the municipal budget and revenue.

Accounting, Budgeting, and Financial Management

KCI followed up on the reconciliation effort during April. Reconciling the expenditure records for twelve months of 1390 was completed this month. Since the first ten months had already been reconciled in February, the numbers of errors sorted out with KM's bookkeepers was significantly lower this time.

KCI helped the bookkeeping manager prepare a budget expenditure variance report, which serves as a base for a request made to KM's senior management to modify the budget allocations for the Afghan year 1391.

On accounting, KCI revised KM's Chart of Accounts and submitted the new draft to KM's budget manager. The draft contains codes for Ministry of Finance funded projects that are different from those of internally funded projects.

On budgeting, KCI held meetings with the Deputy Mayor for Administration and Finance in an effort to speed up the annual budgeting process (KM is already in the second month of the budget year) and have the budget approved by the Mayor and the Council of Ministers. The budget area remains the biggest challenge with respect to the financial reform of KM.

Improvement of Property Tax Registration

Work in this area is impeded by the technical problems at the district level (please refer to the issues, obstacles and resolution section). A visit was paid to the offices of Districts 4, 5 and 11. It was concluded that the situation with respect to IT equipment is in a poor state.

A number of coaching sessions on the digitization system took place at the district level, and also with the property registration manager and the land distribution manager at the central level.

Policies and Procedures

KCI translated into Dari the Standard Operating Procedures (SOP) on rent of municipal property, drafted in March. Meanwhile, seven new SOPs on Safay'i charge, revenue

generation, business licenses, fiscal management, internal audit, asset management, and donor coordination were drafted.

2.0 ISSUES, OBSTACLES, AND RESOLUTIONS

There were major delays this month to a wide range of activities. First and foremost KCI management and local staff were on lockdown for multiple days this month. This was due to the two national holidays, and insurgent attacks both in the heart of Kabul and at Green Village. Activities had to come to a halt with many being canceled due to security.

Furthermore, more delays continue as a result of a lack of a streamlined and efficient approvals process for KCI proposed subcontracts over \$150,000. KCI has four vendor packages that have been with both the Vetting Support Unit and USAID/OAA for well over eight weeks. This has caused significant delays in project implementation and has resulted in the Kabul Municipality losing confidence in KCI being able to implement the work.

In addition, there are major delays in several financial areas. It is the second month of the new Afghan year 1391 but the KM have not yet obtained approval for its Tashkīl (organization structure including staffing numbers) and annual budget apart from the externally funded projects approved by Ministry of Finance, while the budget has to be approved by the Council of Ministers as well. The reason for this is that KM was quite late to submit its proposal – it should have submitted it two or three months before the budget year. KM appears to show no concern whether the budget is late or not; they continue to incur expenses based on the quarterly allocations for the year 1390.

In addition, the voltage of the electric power supplied to district offices is not stable, fluctuating between 10 and 210 Volt (“dirty power”). Procurement of automatic voltage stabilizers is now in progress. District Office eight has no electricity as a result of a dispute with electricity company “Breshna” about the settlement of mutual debts.

3.0 ACTIVITY FORECAST

Activities planned for the month of May 2012:

1. Conduct safety training for and distribute personal protection equipment to 400 workers of the Sanitation Department;
2. Inaugurate the Senior Leadership Training for 25 KM senior officials;
3. Start English language training for 10 KM officials;
4. Start the second round of the Future Leaders Program for 50 KM staff;
5. Start the second round of ICDL for 200 KM staff;
6. Install the PABX system at KM to enable KM employees to communicate with each other through the cost free telephone system;
7. Install switches at the KM HQ building corridors in order to distribute fiber optic internet through hardware;
8. Continue MCITP and A+ training for KM IT Department staff;
9. Install the finger print attendance system at the KM;
10. Launch the Women's Business Development Campaign in District 16;
11. Start the Women engineers/professionals training;
12. Prepare the Youth Council concept note and work plan;
13. Continue work on the Women's Business Directory;
14. Evaluate bids for the Women's Leadership Skills Development training;
15. Continue the Public Education Campaign on cleaning and greening in Kabul schools and public places;
16. Continue the production of Radio/TV spots;
17. Continue Media Training for KM staff;
18. Continue work on KM and Mayor's media tools including website, blog, Facebook;
19. Complete phase-2 work of Shirino Park;
20. Complete phase-2 work of Sharara Park;
21. Complete phase-1 and phase-2 work of Arzan Qimat Park;
22. Complete phase-2 work of BB Sarwari Park;
23. Complete phase-2 work of Karte Mamorin Park;
24. Complete 2,066 sq. meter sidewalks improvement project;

25. Complete the rehabilitation of Arzan Qimat Block 11 Park and renovation and electrical upgrading of street maintenance garage;
26. Complete renovation and electrical upgrading of gymnasium in District 8;
27. Contribute the content for three sessions for the Future Leaders Program on general principles in municipal revenue, the Municipality fund and municipal taxes, municipal fees and other sources of municipal revenue;
28. Conduct training on Revenue Improvement Action Plans (RIAP) for 15 KM staff;
29. Translate the remaining SOPs on revenue into Dari;
30. Start digitization training at the District level;
31. Conduct the Intermediate Accounting Training for KM financial staff.

ANNEX 1: LIST OF COMPLETED SUBPROJECTS IN THE MONTH OF APRIL 2012:

S/N	Name of project	Location	Type of project	Date of Completion	Quarter of Completion
1	Renovation of District 12/21 Office Building	District 14	Renovation	2 - Apr - 2012	Quarter 3/Y2
2	Renovation of District 14 Office Building	District 12/21	Renovation	3 - Apr - 2012	Quarter 3/Y2
3	Construction of Macroryan-e-Awal Park	District 16	Greenery	17 - Apr - 2012	Quarter 3/Y2
4	Total Station Training	District 99	Street	01 - Apr - 2012	Quarter 3/Y2

ANNEX 2: LIST OF SERVICE DELIVERY AND INFRASTRUCTURE PROJECTS IN PROGRESS, AS OF APRIL 30, 2012

No	Name of project	Location	Department	Percentage Completed/ Construction	CLIN	Progress
1	Karte Mamorin Park/New Neighborhood	District 3	Greenery	98%	Services Delivery	In Progress
2	Shirino Park/Rehab Neighborhood	District 2	Greenery	99%	Services Delivery	In Progress
3	Arzan Qimat Park-Block 4 (Park1)	District 12	Greenery	99%	Services Delivery	In Progress
4	B. B. Sarwari Park/New Neighborhood	District 11	Greenery	98%	Services Delivery	In Progress
6	Shahrara Neighborhood Park	District 4	Greenery	98%	Services Delivery	In Progress
7	Taimani Neighborhood Park	District 4	Greenery	49%	Services Delivery	In Progress
8	Dehboori Park	District 3	Greenery	27.5%	Services Delivery	In Progress
9	Canteen Construction in Shahrara Park	District 4	Greenery	30%	Services Delivery	On hold
10	Guard room Construction in Shirino Park	District 2	Greenery	15%	Services Delivery	On hold
11	Canteen Construction in Shirino Park	District 2	Greenery	30%	Services Delivery	On hold
12	Canteen in Arzan Qimat Park	District 12	Greenery	29.7%	Services Delivery	On hold
13	Guard room, in Arzan Qimat Park	District 12	Greenery	15.90%	Services Delivery	On hold

14	Latrine construction in Arzan Qimat park	District 12	Greenery	23.50%	Services Delivery	On hold
15	Transfer Station Design/Engineering Contract	District 99	Sanitation	99%	Services Delivery	In Progress
16	Composting project in Gazak Land Fill	District 99	Sanitation	45%	Services Delivery	In Progress
17	Khwaja Boghrah Canal & Side Drainage	District 15	Sanitation	40%	Services Delivery	Terminated
18	Wheels for Dumpster 8 inch	District 99	Sanitation	31%	Services Delivery	Pending in Procurement
19	Materials and Soil Testing	District 99	Street	35%	Services Delivery	On hold
20	KM Road Paving Project Balahesar	District 1	Street	53.12%	Services Delivery	On hold
21	10.23 KM Roads Paving Project	District 5	Street	37.01%	Services Delivery	In Progress
22	Shirino Sidewalks Improvement	District 2	Street	98%	Services Delivery	In Progress
23	Karte Mamorin Sidewalks Improvement	District 3	Street	98%	Services Delivery	In Progress
24	Qalaye Najara Sidewalks Improvement	District 12	Street	98%	Services Delivery	In Progress
25	Renovation of Street Department Garage and Appurtenant Offices	District 8	Renovation		Service Delivery	Pending in Subcontracts
26	Construction of Arzan Qimat Block 11 Park	District 12	Greenery	29.8%	Services Delivery	In Progress
27	Latrine/holding tank construction in BB Sangari Park	Districts 11	Greenery	31.2%	Services Delivery	In Progress
28	Latrine/holding tank construction in Karte Mamorin Park	District 2	Greenery	33.1%	Services Delivery	In Progress
29	Latrine/holding tank construction in Sayedul Nasiri Park	District 11	Greenery	37.2%	Services Delivery	In Progress
30	Electrical Upgrading of Street Department Garage and Appurtenant Offices	District 8	Renovation		Service Delivery	Pending in Subcontracts
31	Electrical Extension in Shirino and Sayedul Nasiri Parks	Districts 2 and 11	Construction		Service Delivery	Pending in Subcontracts
32	Solar electrical design for all other KCI Parks	Districts 3, 4, 9, 11 and 16	Construction		Service Delivery	Pending in Subcontracts
33	Electrical upgrading	District 8	Construction		Service	Pending in

	of gymnasium				Delivery	Subcontracts
34	Renovation of gymnasium	District 8	Construction		Service Delivery	Pending in Subcontracts
35	Dumpsters Routing and Numbering	District 2	Sanitation		Service Delivery	In Progress

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